

Support Services for the
WATER FUNDING TASK FORCE

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Survey of State Water Programs

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Survey of State Water Programs

❖ States Surveyed:

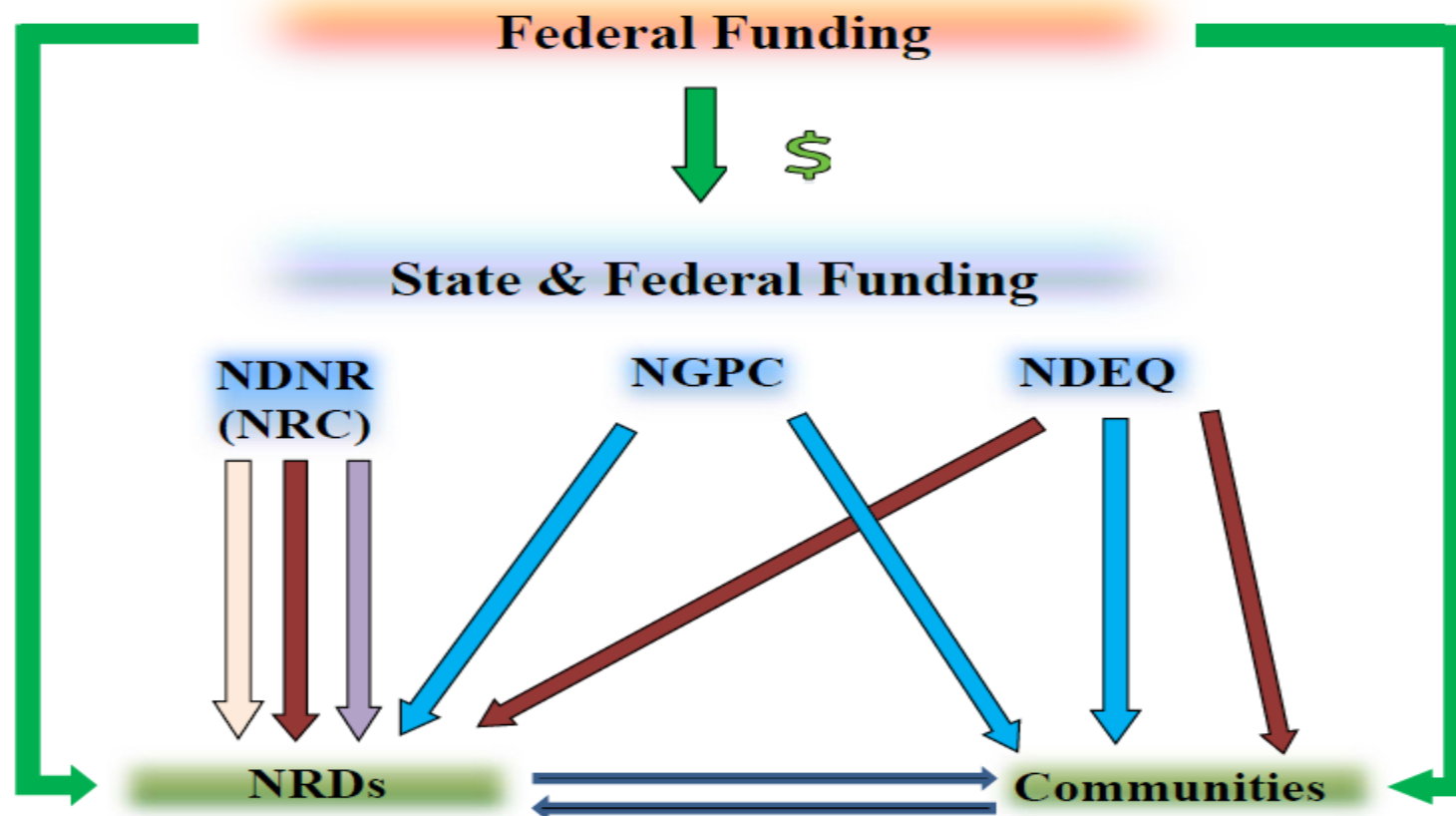
North Dakota, South Dakota, Iowa, Colorado, Missouri, Virginia, Wisconsin, Texas




❖ Survey Basis: How did other states accomplish the 5 tasks ?

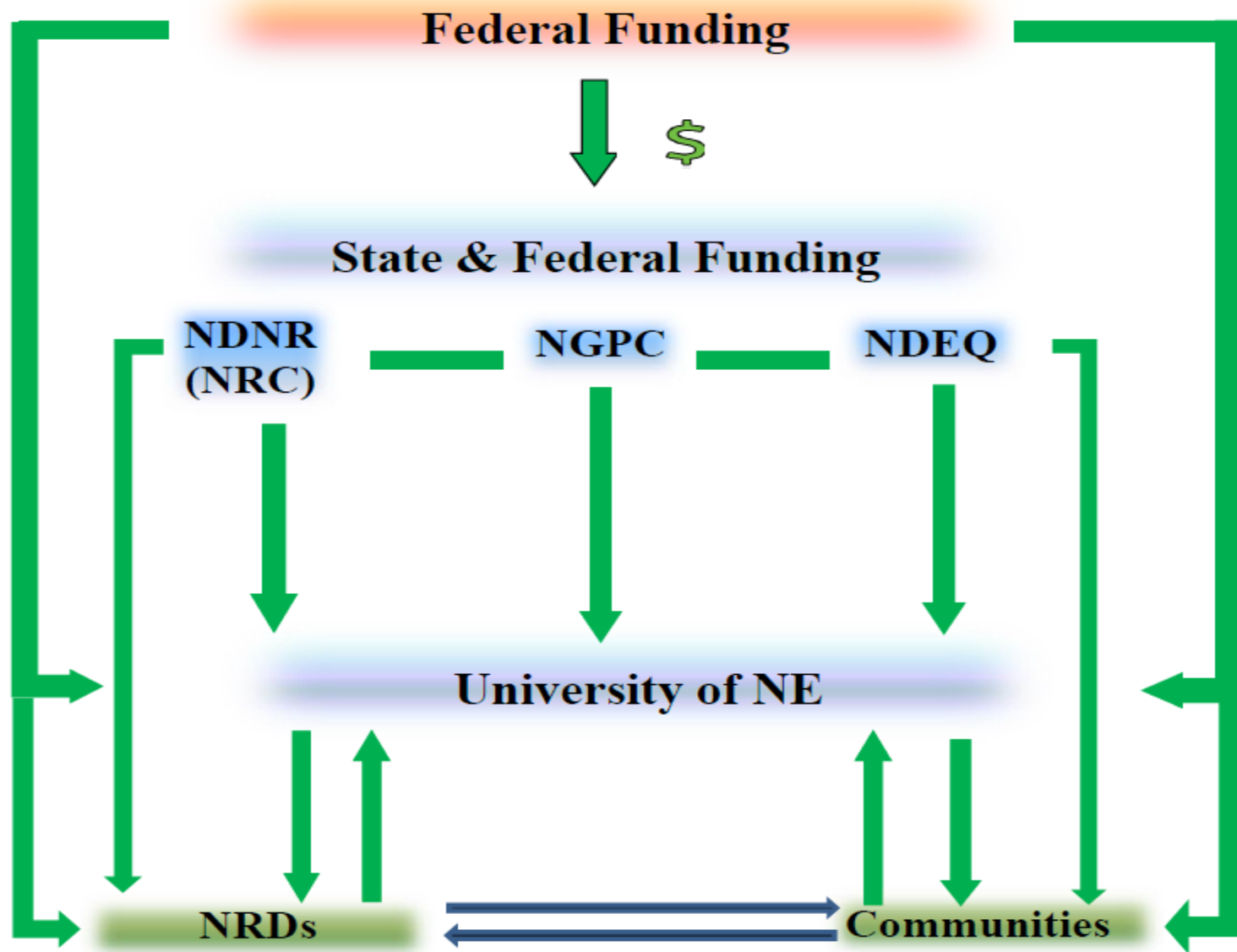
- How are states using ranking criteria to identify funding priorities?
- How did they make recommendations for a strategic plan which prioritizes projects, programs and activities in need of funding?
- What is their permanent structure and process through which the projects, programs and activities are funded?
- How do they establish annual funding targets?
- Have they made statutory changes relating to regulatory authorities?

Definitions

- ❖ **Funding Stream – flow of money from it's source to project sponsors**
- ❖ **Program vs. Project vs. Activity**
 - **Program is a “mechanism” to deliver \$ to sponsor**
 - **Projects and Activities treated as one**
 - **Activities can be “Projects”**
 - **Funding Eligibility = What are they trying to accomplish?**



-  State Programs Administered Through NRDs (SWCF)
-  Direct Funding for “Projects & Activities” (NRWQF)
-  Funding Through Grant & Loan Programs (NRDF, SRF)
-  Competitive Grant Funds (NET & NPS)



Summary of State Water Programs

Commonalities

- **Changes to planning processes and /or adding new funding sources**
 - **State GF allocations for water projects have either decreased or are not sufficient to meet future demands.**
 - **Federal funding levels have decreased.**
 - **States want adequate and consistent funding**
 - **Decrease reliance on federal \$**
- **“Dynamic” Water Planning Process**
 - **Address changing priorities, funding needs, funding sources....**

How are states using ranking criteria to identify funding priorities?

Conclusion:

- **Funding Priorities are determined at the level projects are developed**
 - **State vs. Local/Regional**
- **Funding priorities determined from:**
 - **Historic State Program Funding Levels**
 - **Current State Program Funding Levels**
 - **Projected State Program Funding Needs**
- **Iowa**
 - **Funding priorities determined on the state level**
 - **Based on all three above**
- **Colorado**
 - **Funding priorities determined at the “basin” level**
 - **Based on Projected Needs by basin**

How are states using ranking criteria to identify funding priorities?

Iowa Example

- ❖ **Established Sustainable Natural Resources Advisory Committee**
- ❖ **Committee Review Program Budgets and Project Forecasts**
- ❖ **Committee Program Needs Determination and Recommendation**
 - **Ag. & Land Stewardship (\$30M)**
 - **Natural Resource Management (\$35M)**
 - **Resource Enhancement & Protection (\$20M)**
 - **Conservation Partnerships (\$20M)**
 - **Watershed Protection (\$20M)**
 - **Lake Restoration (\$10M)**
 - **Trails (\$15M)**
- ❖ **Proposed 3/8 cent allotment from next state tax increase (\$150M)**

How are states using ranking criteria to identify funding priorities?

Example: South Dakota

- **Funding priorities = “areas needing assistance”**
 - **Irrigation**
 - **Flood Control**
 - **Watershed Management**
 - **Groundwater Protection**
 - **WQ & Water Supply w/Interrelated Economic and Social Factors**

How did they make recommendations for a strategic plan which prioritizes **programs**, projects and activities in need of funding?

Program Prioritization

❖ Programs not prioritized

- Those in need of funding are all considered “funding priorities”
 - Funding needs based on current & projected budgets

❖ Most states have many more programs in place than NE

- Program overlap

How did they make recommendations for a strategic plan which prioritizes programs, **projects**, and activities in need of funding?

Project Prioritization

- ❖ States moving to “Basin Scale” Planning (ND, CO, WI)
 - Projects Targeted to meet basin priorities
 - State Agencies and Stakeholder groups involved in planning
 - Assures state priorities are being met (State Water Plan)
- ❖ Iowa
 - Projects developed & implemented at State Level
 - Targeted Projects vs. Ranking Based or Competitive Projects

How did they make recommendations for a strategic plan which prioritizes programs, **projects, and activities in need of funding?**

Project Prioritization

North Dakota (House Bill No. 1206, Jan. 2013)

- **Biennially, the State Water Commission shall develop and maintain a comprehensive water development plan organized on a river basin perspective including an inventory of future water projects.....**

ND Proposed Project Prioritization System

Essential Projects

- Water Supply Loss to Multi-user
- Immediate Flood Threats to Human Life or Residences
- Existing Obligations (maintenance?)
- Project Mitigation

High Priority Projects

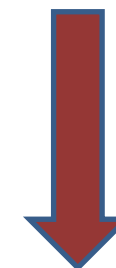
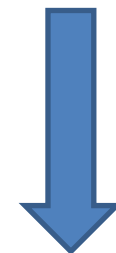
- Federally authorized water supply or flood control
- Projects that address protection of human life & safety

Moderate Priority Projects

- Expansion of an existing water supply system

Low Priority Projects

- Recreation Projects



How did they make recommendations for a strategic plan which prioritizes programs, **projects**, and activities in need of funding?

Colorado Example

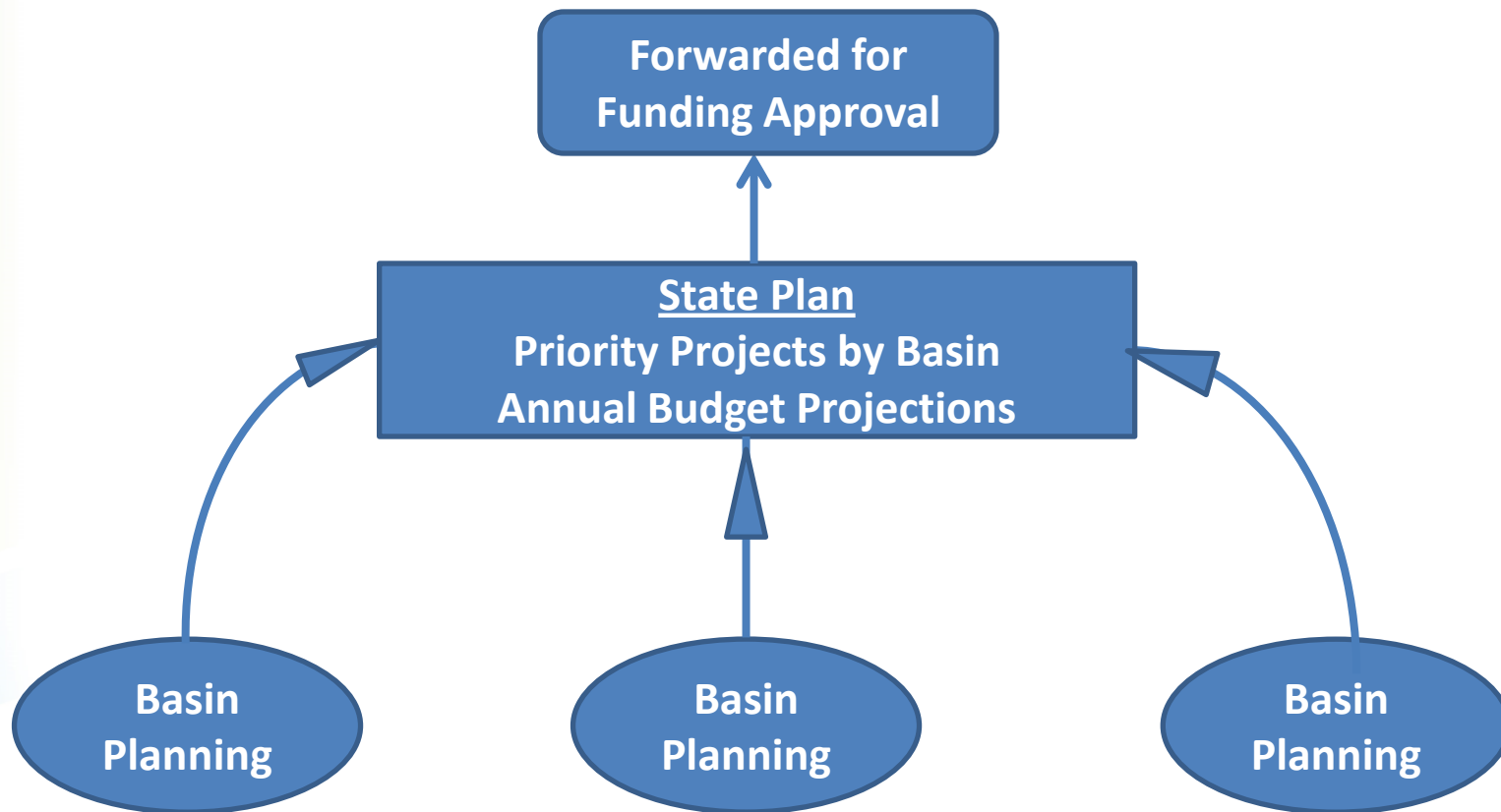
- **May 2013 – Administrative Order to Start Colorado Water Plan**
 - **“Bottom Up” Planning Process**
 - **Basin Planning lead by State & stakeholder groups**
 - **Priorities determined by local needs (basin) (before project)**
 - **Projects are developed to address priorities**
 - **Basin priorities & projects are fed into state plan for funding**

How did they make recommendations for a strategic plan which prioritizes programs, **projects**, and activities in need of funding?

Project Scale & Project Prioritization

- ❖ **Smaller scale projects**
 - **Grant Funds & Loans**
 - **Competitive process by program with ranking systems**
- ❖ **Larger scale projects**
 - **Targeted Projects**
 - **Once a “Project” is developed it moves forward for funding**

“Bottom Up Planning Process”



Local/State Lead Planning By Basin
State Involvement Advances State Priorities on Local Level
Identification of Basin Research Needs??

What is their permanent structure and process through which the programs, projects, and activities are funded?

For States Proposing New Funding Sources for Water Programs

- **State structure was not significantly changed**
- **Current programs were/will be used to distribute funds**
- **Most States have or will have some type of State Water Plan in place**
 - **Some states have changed planning structure**
- **Most States have some type of statewide “Oversight” board or commission**
 - **SD: State Water Resources Management System**
 - **Large, costly water projects that require specific state or federal authorization and financing.**

How do they establish annual funding targets?

- In depth analysis
 - ☐ Water funding needs (programs & projects)
 - ☐ Available resources
 - ☐ Budget scheduling
- Analysis conducted routinely, many by region or basin
- Funding Targets
 - ☐ Operating & Existing Obligation Including Compliance & Compacts
 - ☐ Water Emergency Fund
 - ☐ Large Scale Projects
 - ☐ Small Scale Projects
- Federal Contributions
 - ☐ Not factored into small scale project needs
 - ☐ Factored into large scale project needs

Have states made changes to regulatory authorities?

- ❖ **Many states have “oversight” boards for state water issues**
 - **Creation of these boards probably required some changes**
 - **Would require more research to answer**
- ❖ **Unknown if changes to planning process required authority changes?**

Primary Revenue Sources

➤ Iowa

- Gaming Receipts (\$12M.yr.)
- 3/8 Cent Sales Tax Allocation (\$150M/yr.)
- Natural Resource License Plates (\$.45M/yr.)

➤ Wisconsin

- Motor Boat Gas Tax
 - 50 gal. X # registered boats (\$11M/yr.)

➤ North Dakota

- Resource Extraction Tax – (20% for Water)
- *“North Dakota Gov. Jack Dalrymple has signed legislation that allocates more than \$500 million for water management projects)”*

Questions?